



Bicycles and Tricycles

Provincial Sales Tax Act

This bulletin provides information to help businesses understand how the provincial sales tax (PST) applies to bicycles and tricycles effective April 1, 2013.

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Exempt Non-motorized Bicycles and Qualifying Non-motorized Tricycles

Sales

You do not charge PST on the sale or lease of:

- non-motorized bicycles, and
- non-motorized, adult-sized tricycles where each wheel of the tricycle has a diameter of 350 mm or more (described as qualifying non-motorized tricycles in the remainder of this bulletin).

However, you are required to charge PST on the sale or lease of:

- tricycles that have a wheel diameter that is less than 350 mm,
- unicycles,
- motorized and non-motorized push-style scooters, and
- electric power-assisted bicycles and tricycles, with or without a combustion engine.

Parts

Parts are items that are essential to the basic functioning of the non-motorized bicycle or qualifying non-motorized tricycle. You do not charge your customer PST when you sell or install replacement parts specifically designed for non-motorized bicycles or qualifying non-motorized tricycles, such as:

- frame and fork sets,
- handle bar stems, tape, rim tape, grips and end plugs,

- wheels, tubes, tires and brake assemblies,
- seats, fenders and shock absorbers, and
- pedal, chain and gear, and chain guard assemblies.

Bicycle and Tricycle Attachments

A non-motorized bicycle or qualifying non-motorized tricycle includes basic items that are installed on or attached to the bicycle or tricycle at the time of the sale. Therefore, you do not charge PST on the purchase price of the attachments or the services to install them even if you separately itemize the accessories and installation services on the bill of sale.

Bicycle and tricycle attachments include the following, and similar, items:

- pumps, pump clips, hoses and hose attachments,
- training wheels,
- carriers, including handle bar bags, rat traps, baskets, panniers, saddlebags and tool bags, but not including child carriers,
- drinking bottles, bottle cages, bells, horns, and
- toe clips, toe straps, mirrors, locks, kickstands, streamers and flags.

You charge PST on the purchase price of attachments that are not installed on, or attached to, bicycles and tricycles at the time of the sale of the bicycle or tricycle, including when attachments are sold on their own.

Please note: The exemption for non-motorized bicycles and qualifying non-motorized tricycles does not include non-basic items, such as bicycle computers, child carriers and trailers even if they are installed on, or attached to, a non-motorized bicycle or qualifying non-motorized tricycle at the time of sale.

Bicycle and Tricycle Accessories

With the exception of exempt safety equipment (see the section below, Safety Equipment), you are required to charge PST on all items and accessories that are not installed on, or attached to, the non-motorized bicycle or qualifying non-motorized tricycle at the time of the sale or that are sold on their own.

You also charge PST on the sale of other taxable goods, such as oil, grease and tube repair kits, pant clips, cycling shoes, shoe covers and other cycling clothing that does not qualify for the safety equipment exemption referred to in the section below, Safety Equipment.

Please note: Cycling shoes and clothing purchased for children under the age of 15 are exempt. For more information, please see [Bulletin PST 201](#), *Children's Clothing and Footwear*.

Services and Repairs

You do not charge your customer PST when you perform services to non-motorized bicycles and qualifying non-motorized tricycles, including services to bicycle attachments that are attached to the bicycle or tricycle at the time the bicycle or tricycle is brought in for service.

Examples of services that are not subject to PST include:

- tune-ups,
- complete overhauls,
- lubricating the chain,

- inspecting and cleaning the frame and fork,
- replacing a broken pedal, and
- safety checks.

You also do not charge PST when you install attachments to non-motorized bicycles and qualifying non-motorized tricycles after the purchase of the bicycle or tricycle.

However, you charge PST when you provide services to bicycle or tricycle accessories that are not attached to the bicycle or tricycle at the time the bicycle or tricycle is brought in for service (e.g. your customer brings in a pannier for you to replace a broken clip).

For more information on how PST applies to services, please see [Bulletin PST 301](#), *Related Services*.

Taxable Electric Power-assisted Bicycles and Tricycles

Sales

You are required to charge PST on the sale or lease of electric power-assisted bicycles and tricycles (with or without a combustion engine), and on the sale and installation of attachments, replacement parts and accessories specifically designed for electric power-assisted bicycles and tricycles.

Services and Repairs

You charge your customer PST on services provided to electric power-assisted bicycles and tricycles, or to their parts or accessories. Examples of services subject to PST include services to install, repair, adjust, restore, recondition, refinish or maintain electric power-assisted bicycles and tricycles, parts or accessories.

Conversion Kits

Conversion kits convert non-motorized bicycles and tricycles into electric power-assisted cycles, and may include parts and accessories that are specifically designed for electric power-assisted cycles. You charge your customer PST when you sell and/or install conversion kits.

When you sell or lease converted electric power-assisted bicycles or tricycles (new or used), you charge your customer PST.

If at the **time of sale** of a non-motorized bicycle or qualifying non-motorized tricycle, you also sell and install a conversion kit for the bicycle or tricycle, you:

- do not charge PST on the non-motorized bicycle or qualifying non-motorized tricycle,
- charge PST on the conversion kit,
- do not charge PST on the services provided to install the conversion kit, and
- charge PST on the sale of all other items, including shop supplies and miscellaneous materials, such as retaining clips, power poles and plastic zip ties.

Once the conversion kit is installed, the bicycle or tricycle is no longer a non-motorized bicycle or tricycle. Therefore, you charge your customer PST on services later provided to the converted electric power-assisted bicycle or tricycle.

Additional Information

Safety Equipment

You do not charge PST when you sell, repair or install the following safety equipment items when designed for use on bicycles:

- bicycle lights, including replacement parts specifically designed for the lights, such as generators, specifically designed batteries (e.g. AA or AAA batteries do not qualify) and bulbs, and
- reflectors.

Provided they are designed for use on bicycles, these items are exempt whether or not they are to be used on a bicycle. Therefore, these items are also exempt from PST when used on tricycles of any size, or electric power-assisted bicycles and tricycles.

You also do not charge PST when you sell, lease or provide services to helmets, or to safety vests and safety bibs designed to enhance the visibility of the wearer. These items are exempt whether or not they are to be used by a person riding a bicycle or tricycle.

For more information on the PST exemption for safety equipment, please see [Bulletin PST 100](#), *Safety Equipment and Protective Clothing*.

Out-of-Province Sales

You do not charge PST on taxable goods you ship to an out-of-province location. To show why you did not charge PST, your records must provide evidence that the goods were shipped out of the province.

Sales to Other Retailers

You do not charge PST on taxable goods sold to other retailers if they provide you with their PST registration number. When you sell to other retailers, you must record their PST registration number on each sales invoice to show why you did not charge PST.

Business Assets

When to Pay PST

You pay PST on the purchase or lease of new or used taxable goods that you use in your business, such as:

- equipment used to perform your services (e.g. tools, machinery, wrenches and screwdrivers),
- stationery, furniture and office equipment,
- advertising materials, such as flyers and brochures,
- items you purchase to give away as free promotions,
- computer hardware and non-custom software,
- energy for heat and light, and
- shelving and display equipment.

If the supplier does not charge you PST on the above items, you must self-assess and remit PST due. More information on self-assessment will be available in another bulletin in the near future.

When Not to Pay PST

You do not pay PST on the following:

- items you purchase for resale or lease to your customers,
- parts and materials that will become part of the bicycles or tricycles you are servicing, such as replacement parts, oil, grease and paint, and
- containers, labels or packaging materials which are included with your sales at no extra charge to your customers.

To purchase the above items without paying PST, give the supplier your PST registration number.

If you take taxable items from your resale inventory for business or personal use, you must self-assess and remit the PST due on your cost of the items.

Purchases from Out-of-Province Suppliers

If you purchase taxable goods from an out-of-province supplier for business use, PST applies on the total amount that you pay to bring the goods into BC, including charges for transportation, customs, excise, and any other costs, except the goods and services tax (GST). If the supplier does not charge you PST, you must self-assess and remit the PST due. More information on self-assessment will be available in another bulletin in the near future.



Need more info?

Online: gov.bc.ca/PST

Toll free in Canada: 1 877 388-4440

Email: CTBTaxQuestions@gov.bc.ca

You can access our forms, publications, legislation and regulations online at gov.bc.ca/PST (go to [Forms and Publications](#)).

The information in this bulletin is for your convenience and guidance and is not a replacement for the legislation.

For up to date information on the return to PST, subscribe to our What's New page at www.sbr.gov.bc.ca/msbr/whats_new/consumer_taxes/whatsnew.htm

References: *Provincial Sales Tax Act*, sections 9, 10, 34, 35, 37, 39 and 119; *Provincial Sales Tax Exemption and Refund Regulation*, sections 35, 55, 57 and 73